

Last month, the Institute of Medicine released [a new report](#) that drew a startling conclusion: in 2009, about 30 percent of U.S. health care spending, roughly \$750 billion, was wasted on unnecessary services, excessive administrative fees, fraud, and other costs that did not improve anyone's health.

The Institute's report makes clear that, although good data exist on how to spend health care dollars more effectively, these data are often not being used to train better doctors in medical schools or to educate providers in the field. The report also identifies specific reforms – including the better coordination of patient care, the speedier adoption of best practices, and a revamped payment system that rewards doctors for the quality rather than the quantity of services delivered – that can help bring down costs.

But we take too narrow a view if we consider wasteful health care spending to be merely a financial problem. Unnecessary medical care is not just expensive; it also is painful, discomfoting, inconvenient, and potentially even dangerous. If a father's untreated high blood pressure leads to an unnecessary heart attack, then yes, his ER visit will cost money – but the greater tragedy is that his life has been placed needlessly at risk. If a grandmother must return to the hospital because she was sent home prematurely, then yes, her readmittance will cost money – but even worse, she will endure needless suffering.

In the worst cases, ineffective care can even result in unnecessary deaths. The Institute estimates that 75,000 people die each year due to wasteful or inappropriate care. Health reform seeks to address these tragedies in several ways, including the creation of Accountable Care Organizations that tie provider payments to measures of patient outcomes. But more must be done.

The Institute's recommendations shed light on ways that we can save money by building a more efficient medical system. But just as importantly, they point us toward a more *effective* medical system, one that does a better job at keeping Americans alive, healthy, and happy.

The Ryan Budget's Wrong Priorities

In past eGendas, I've written to you about some of the radical cuts proposed in this year's Republican budget. As troubling as these cuts are, I'm equally troubled the Ryan budget would maintain wasteful spending for projects that do not merit taxpayer support.

The budget would, for instance, continue to spend lavishly on the failed F-35 fighter plane. The F-35 was intended to be a multi-purpose fighter that would be used by all of armed services, but after many years of delays and cost overruns, it is a Cold War legacy that has little relevance to the problems facing the modern Department of Defense. Yet the project has gained a momentum of its own, turning into the biggest example of corporate welfare in history.

The Republican budget puts us on track to spend \$400 billion just to build F-35s. That is roughly comparable to the *entire* Defense Department budget of a decade ago – and it doesn't count the \$1 trillion it will cost to operate the fighters over their lifespans. In a budget that cuts food assistance, Medicare, Medicaid, and education, how in the world can we justify a program like this?

Your Passport to America's Heritage

In 2006, I was honored to help establish the [Crossroads of the American Revolution National Heritage Area](#). During the American Revolution, more military engagements took place in New Jersey than in any other state, making our state the crossroads in the birth of the nation.

I am pleased to let you know that the Crossroads Heritage Area is now participating in the [Passport to Your National Parks](#) program, which enables visitors to collect stamps in a spiral-bound National Park Service Passport at national parks and other National Park Service-affiliated sites around the country.

I encourage you to visit the Crossroads website at www.revolutionarynj.org to learn more about [our state's role in American history](#) and to find valuable [educational resources](#).

Sincerely,

Rush Holt
Member of Congress